

10 September 1974

OFFICE OF PERSONNEL MEMORANDUM NO. 20-31-34

SUBJECT: Pay Administration for Prevailing Rate Employees

RESCISSION: OPM No. 20-31-32 dated 25 January 1974

1. GENERAL

a. The Federal Wage System is administered by the Civil Service Commission and applies to the CIA. However, the Agency has been exempted from audit and inspection upon agreement with the Commission that we will follow the regulatory provisions in the Federal Personnel Manual. Uniform rules based on the FPM have been established in the Agency for all Wage Board categories: Federal Wage System, Interdepartmental Lithographic Wage Board, Government Printing System, Graphic Arts System.

b. Employees whose positions are classified under the provisions of the Federal Wage System, which includes the Interdepartmental Lithographic Wage Board, are paid in accordance with local area wage schedules published by the Department of Defense Wage Fixing Authority. Both categories include grade and step structures which are complemented by standards used for allocation of position grades and titles.

c. Government Printing and Graphic Arts schedule positions do not have the same apprenticeship and promotion time factors as found in regular wage schedule positions. (Grade and step identifications are being developed for administrative convenience in the computer systems.) The Director of Personnel and his designated alternates, including the Chief, Position Management and Compensation Division, establish Government Printing (GP) and Graphic Arts (GA) pay schedules in accordance with lead agency pay practices for the specialized craft and support positions.

2. DEFINITIONS

a. Basic Journeyman, Journeyman, or Member of a Craft: A fully qualified worker in an apprenticeable trade recognized as such by the appropriate craft.

b. Printing Plant Workers: Employees engaged in performing unskilled and semiskilled manual tasks in hand and power equipment operation and other nonjourneyman tasks in the graphic arts.

c. Apprentices - Trainees: Employees in a program for progressive development of craft skills leading to recognition as a journeyman craftsman. Some programs are developed for processes or equipment that have positions

for which the maximum pay rate is a fixed percentage of journeyman rate -- e.g., 80%, 85%, or 90% of journeyman rate. Apprentices assigned to this work cannot exceed these rates until assigned to training in processes and equipment calling for higher skill (see 5.c.).

d. Saved Rate: A rate paid without specific time limitation to employees whose positions are reclassified to a lower level in a different wage system, where position downgrading results from a revised evaluation standard, or where a revised wage schedule structure places the employee's position at a lower wage level.

e. Retained Rate: A rate paid for up to two years for employees who are changed to a lower grade, except when such change is by request of the employee, for personal cause, or required by personnel reduction, in which cases pay retention is not authorized. The employee must have had two years of continuous service in any grade or grades higher than the grade to which he is reduced.

f. Maximum Rate: Applies only to GP and GA schedules. Salary is equal to that of an established rate below the journeyman level, and there is no time limitation.

g. Equivalent Rate: The grade of the applicable Federal Wage System schedule that is equivalent to that from which the employee is demoted. This is determined by selecting the lowest grade of the applicable wage schedule in which the representative rate is equal to or exceeds the representative rate in the grade and schedule from which the employee is demoted.

h. Representative Rate: (1) the fourth rate in the range for a grade under the General Schedule, (2) the prevailing (second) rate for a position under the Federal Wage System, and (3) for other positions, the rate designated by the Agency as representative of the position.

3. GENERAL ADMINISTRATIVE PROCEDURES -- FWS and ILWB

Pay administration for FWS (WG, WL, and WS) and ILWB (WP) employees is applied in accordance with the provisions of Federal Personnel Manual Supplement 532-1, Subchapters 8, 9, and 10. Paragraph 5 includes Agency procedures for application of nonstandard pay rates as defined in FPM Supplement 532-1.

4. GENERAL ADMINISTRATIVE PROCEDURES -- GP and GA

a. Except as provided in paragraph 5 appointments or reassignments to GP and GA positions are made at the grade, apprenticeship step, journeyman, or specialist rating commensurate with the experience and training of the individual as evaluated by the appointing officer for application to the position title. Prior pay rates received in nonprinting or unrelated trades including Federal employment are not considered.

b. Printing Plant Workers will be appointed at the first step of the grade (where there are several steps) that reflects their experience in semi-skilled manual tasks associated with nonjourneyman work. Upon promotion in the grade schedule an employee will receive the minimum step that will provide at least \$.05 raise in hourly pay.

c. Apprentices will be advanced to the next step of their apprenticeship pay schedule at the beginning of the pay period following:

- (1) Completion of 26 calendar weeks for the six months steps, or
- (2) 52 calendar weeks for one-year steps, of progressively more responsible work, and
- (3) Provided conduct and work performance are satisfactory and the operating office concerned certifies the apprentice has successfully completed the training prescribed for the period under the apprenticeship program through the 90% or fourth-year rate or longer as required by standards and described in pay schedules.

A longer apprenticeship is required for Reproduction Technicians.

d. Advancement from 90% to journeyman craftsman is considered a promotion action calling for submission of a SF-1152 with certification by the operating official of the successful completion of the full apprenticeship for the Office of Personnel approval of the employee's qualifications.

e. Advancement of journeyman to specialist, supervisor, planner, or other higher rating requires completion of one or more years of journeyman or specialized skills and demonstrated ability to perform color, mechanical, work planning, line supervision, or other skills called for in the position. Shift supervisor and foreman ratings require specialized and supervisory experience of two years or more.

f. Graphic Arts schedules provide in addition to apprenticeships the following recognition of advanced skills and experience:

- (1) Proficiency rates are provided for increased specialized skill, experience, and aptitude which normally require a minimum of one year of experience above the journeyman or higher skill level. Promotion certifications similar to 4.e. are required for these ratings, and the skills must be maintained to hold proficiency rates.
- (2) Specialist and combination journeyman ratings involve journeyman craftsman skill and a minimum of at least two years of specialized or second skill training. Promotion requires submission of Form 1152, Request for Personnel Action, and an operating official's certification to the Office of Personnel that such skill has been demonstrated. Upon promotion to specialist or combination skill, employees receive the nearest rate for the specialist title that exceeds their current rate.

5. APPLICATION OF DESIGNATIONS FOR NONSTANDARD RATES

a. Saved Rate - Step "S"

- (1) An employee is granted a saved rate and placed in Step "S" when:

- (a) The wage board position to which he was assigned is reclassified under another wage or salary system and his previous rate of

pay exceeds the scheduled range for his new position.

- (b) The employee's position is downgraded as a result of application of a revised evaluation standard or a revised wage schedule structure and no scheduled rate for his position after his action equals his previous rate.
- (2) A wage grade employee receiving a saved rate in Step "S" is entitled to wage schedule adjustments equal to one half of the amount of each later prevailing rate increase, applicable to the maximum scheduled rate of his grade until the retained rate of pay is terminated.
- (3) An employee is granted a Saved Rate Step "S" by a "Pay Adjustment -- Step Rate Change." A saved rate is terminated by a "Promotion," "Change to Lower Grade," or when the basic applicable salary schedule is increased to either equal or surpass the saved rate. In the latter case, the employee is changed to the regular schedule at the rate which most nearly equals but is not less than the saved rate.

b. Retained Rate - Step "R"

- (1) An employee changed to a lower grade for any reason other than his own request, for personal cause, or as a result of personnel reduction where no scheduled rate of the lower grade equals or exceeds his current rate (for WG, WL, WS, and WP) or where his current rate is between two established rates (for GP and GA) will be assigned a retained rate of pay for two years and be placed in Step "R" of his grade. His retained rate will be either his existing scheduled rate immediately prior to his reduction in grade, or an artificial rate computed when the reduction is the equivalent of three grades or more under the applicable wage schedule.
- (2) For employees downgraded the equivalent of three or more grades the following rules will apply:
 - (a) Determine the minimum rate for the grade which is three grades below the grade from which the employee is being reduced.
 - (b) Determine the difference between the above rate and the rate of the employee prior to reduction.
 - (c) Add the above difference to the minimum scheduled rate of the grade to which the employee is reduced. This figure will become the employee's retained rate.

This procedure will also be followed for employees being reduced in grade in conjunction with a change in schedule, where the equivalent grade in the new schedule is three or more grades above the one to which the employee is reduced.

EXAMPLE

Employee downgraded from GS-09/8 to WP-10 with Salary Retention

Downgraded from GS-09/8	\$ 7.22 (\$15,009)
Representative rate for GS-09 is step 4	\$ 6.44 (\$13,383)
Representative WP rate that is at least equal	\$ 6.75 (WP-18/2)
WP-18 rate closest to current rate = WP-18/3	\$ 7.09
Minimum rate of WP-18 minus three grades = WP-15/1	\$ 5.90
Difference	\$ 1.19
Minimum rate of WP-10 (downgrade level)	\$ 5.04
WP-10/1 plus difference computed above	\$ 6.23
Retained Rate	\$ 6.23

- (3) An employee whose pay is retained under paragraph 5b (1) above shall receive any increase granted in the scheduled rate and grade (or equivalent) from which he was demoted. The increase is based on the wage schedule to which the employee's position is subject and is granted at the time of the increase in that wage schedule.
- (4) An employee is given a Retained Rate Step "R" by a "Change to Lower Grade" action carrying a two years NTE date. A retained rate is terminated by "Promotion," expiration of the two-year time limit, or when the basic applicable salary schedule is increased to either equal or surpass the retained rate. In the latter case, the employee is changed to the regular schedule or the rate which most nearly equals but is not less than the saved rate.

c. Maximum Rate - Step "M"

- (1) Based on regular assignments to operate equipment and perform duties for which journeyman credit cannot be authorized, GP or GA positions can carry a maximum rate of compensation, less than journeyman. Employees assigned to such positions will be placed in Step "M" of their grades.
- (2) A GP or GA employee receiving a maximum rate is not entitled to within grade increases. He is entitled to general increases applicable to the appropriate schedule and skill level. The amount of the increase is added to his maximum rate and the total becomes a new maximum rate.
- (3) A GP or GA employee is given a Maximum Rate Step "M" by a "Pay Adjustment" action which may be combined with a "Reassignment" action. A maximum rate may be terminated by reassignment when performance is no longer at the maximum rate in which case a "Pay Adjustment" is processed to reduce the rate. A maximum rate may also be terminated by promotion.

d. Pay Rate When Saved Pay Is Not Applicable

- (1) When pay saving is not applicable because of the provisions of paragraph 5.a. or 5.b., an employee's rate may be fixed at any

step rate of the grade to which changed and for which he is fully qualified, provided such rate is not in excess of his last earned rate. The selection of the step rate shall be at the discretion of the operating official concerned and with the approval of the Director of Personnel.



Acting Director of Personnel

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